



An ISO 9001  
Company

## Bharat Heavy Electricals Limited

(High Pressure Boiler Plant)

Tiruchirappalli – 620014, TAMIL NADU, INDIA

MATERIALS MANAGEMENT

<b>TITLE</b> Supply of Carbon steel rounds/coils.	Phone: +91 431 2574205 / 4354 Fax : +91 431 2520250 Email : saruna@bheltry.co.in
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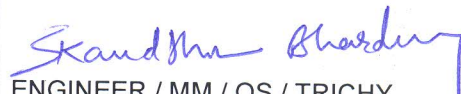
<b>Reference Number:</b> Enquiry-MM/OS/1301300022	<b>Enquiry Date:</b> 15.07.2013	<b>Due date for submission of quotation:</b> 12.08.2013
You are requested to quote the Enquiry number date and due date in all your correspondences. This is only a request for quotation and not an order.		

BHEL/Trichy is looking for empanelment of new vendors for supply of "Carbon steel rounds/ coils as per specn given in Tender Enq 1301300022".

BHEL commercial terms & conditions with Price Bid formats and all annexure can be downloaded from BHEL web site <http://www.bhel.com> or from the Government tender website <http://eprocure.gov.in> (public sector units) Bharath Heavy Electricals Limited) under enquiry reference "MM/OS/1301300022"

Tenders should reach us before 14:00 hours on the due date  
Technical bid will be opened at 14:30 hours on the due date  
Tenders would be opened in presence of the tenderers who have submitted their offers and who may like to be present.

Yours faithfully,  
For Bharath Heavy Electricals Limited

  
ENGINEER / MM / OS / TRICHY

**SKANDSHIV BHARDWAJ**  
ENGINEER  
OUTSOURCING  
BHEL, TRICHY - 620 014



**BHARAT HEAVY ELECTRICALS LIMITED**  
**MATERIALS MANAGEMENT / OUTSOURCING**  
**BHEL / TRICHY**  
**ANNEXURE-A**

Ref: MM/OS/TENDER ENQ 1301300022

Date: 15.07.2013

**TENDER ENQUIRY TERMS & CONDITIONS FOR SUPPLY OF CARBON STEEL ROUNDS /COILS**

Sl No	BHEL Requirements	Supplier Comments (Acceptance or otherwise for each point to be given)																																																
1.	<p><b>Material Specification, Size &amp; Quantity:</b></p> <p>a) Supply of Carbon Steel <b>rounds and coils</b> has to be made strictly as per corresponding specifications and details indicated below against each item:</p> <table><tr><th>Item sl no</th><th>Specification</th><th>Description of Items</th><th>Weight</th></tr><tr><td>10</td><td>IS2062FE410GRA or SAE1010 or SAE1018 or SWR10 or SWR14</td><td>Coils dia 6 mm</td><td>500 MT</td></tr><tr><td>20</td><td>IS2062FE410GRA or SAE1010 or SAE1018</td><td>Round dia 16 mm x 6 meters long</td><td>30 MT</td></tr><tr><td>30</td><td>IS2062FE410GRA</td><td>Round dia 25 mm x 6 meters long</td><td>10 MT</td></tr><tr><td>40</td><td>IS2062FE410GRA</td><td>Round dia 40 mm x 6 meters long</td><td>25 MT</td></tr><tr><td colspan="4">Total Weight = 565 MT</td></tr><tr><td colspan="4"><p>➤ Rounds of dia 40 mm and above are to be supplied in <u>NORMALIZED</u> condition.</p><p>➤ Weight of each coil should not be more than 2.5 MT.</p></td></tr><tr><td colspan="4">b) Submit your offer complete in all respects on <b>ITEM basis (Sl No 10 to 40)</b> for full quantity indicated against each item in <b>TWO-PART bids system (TECHNO-COMMERCIAL BID – PART 1 + PRICE BID – PART 2)</b> clearly indicating the specification referred above.</td></tr><tr><td colspan="4">c) All the Technical and commercial terms &amp; conditions <b>EXCEPT PRICE</b> to be indicated in <b>TECHNO-COMMERCIAL BID. PRICE</b> for each item to be mentioned against respective item in <b>PRICE BID</b> only.</td></tr><tr><td colspan="4">d) Any deviation against specification shall be clearly indicated in the Techno-commercial bid of offer itself.</td></tr><tr><td colspan="4">e) <b>No negative tolerance</b> is acceptable on both Length &amp; Diameter. Tolerance of plus 100 mm <b>MINUS ZERO</b> is acceptable on length.</td></tr><tr><td colspan="4">f) Stenciling/<b>Hard Punching</b> of details like Maker's symbol, Size (dia in mm), Melt number and specification / grade etc must be done on each round/bar of diameter 25 mm and above. For diameter lesser than 25 mm, all the above-mentioned details are to be painted and bars have to be supplied in bundles of weight lesser than 1 MT, secured suitably for rough handling. Metal tags with details of specification, melt number and maker's emblem to be secured to the bundles.</td></tr></table>	Item sl no	Specification	Description of Items	Weight	10	IS2062FE410GRA or SAE1010 or SAE1018 or SWR10 or SWR14	Coils dia 6 mm	500 MT	20	IS2062FE410GRA or SAE1010 or SAE1018	Round dia 16 mm x 6 meters long	30 MT	30	IS2062FE410GRA	Round dia 25 mm x 6 meters long	10 MT	40	IS2062FE410GRA	Round dia 40 mm x 6 meters long	25 MT	Total Weight = 565 MT				<p>➤ Rounds of dia 40 mm and above are to be supplied in <u>NORMALIZED</u> condition.</p> <p>➤ Weight of each coil should not be more than 2.5 MT.</p>				b) Submit your offer complete in all respects on <b>ITEM basis (Sl No 10 to 40)</b> for full quantity indicated against each item in <b>TWO-PART bids system (TECHNO-COMMERCIAL BID – PART 1 + PRICE BID – PART 2)</b> clearly indicating the specification referred above.				c) All the Technical and commercial terms & conditions <b>EXCEPT PRICE</b> to be indicated in <b>TECHNO-COMMERCIAL BID. PRICE</b> for each item to be mentioned against respective item in <b>PRICE BID</b> only.				d) Any deviation against specification shall be clearly indicated in the Techno-commercial bid of offer itself.				e) <b>No negative tolerance</b> is acceptable on both Length & Diameter. Tolerance of plus 100 mm <b>MINUS ZERO</b> is acceptable on length.				f) Stenciling/ <b>Hard Punching</b> of details like Maker's symbol, Size (dia in mm), Melt number and specification / grade etc must be done on each round/bar of diameter 25 mm and above. For diameter lesser than 25 mm, all the above-mentioned details are to be painted and bars have to be supplied in bundles of weight lesser than 1 MT, secured suitably for rough handling. Metal tags with details of specification, melt number and maker's emblem to be secured to the bundles.				
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2.	<p><b>Pre-qualification Criteria (In case not registered with BHEL-Trichy):</b></p> <p>a) <b>Only Original Manufacturers/Mills</b> need to respond to this enquiry. In case of deviation, offer shall be rejected. Are you an original manufacturer of this item? Please confirm (YES/NO).</p> <p>b) In case of foreign manufacturer/Mill, <b>Exclusive Indian agent can represent only one foreign Principal</b>. In case of deviation, offer shall be rejected. Agency commission (if any) should also be indicated clearly in your offer.</p> <p>c) Offers of <b>Traders / Stockists</b> will be summarily rejected.</p> <p>d) Manufacturers should have their own steel making mill and Rolling mill/Forging mill to produce Rolled bars/Forged bars.</p>																																																	

**Note: This Annexure-A has to be mandatorily filled & signed by original manufacturer / mill and submitted along with Technical bid. In case of non-submission of duly filled Annexure-A, vague answers or incomplete details, offer will be summarily rejected.**



3.	<p><b><u>Offer Evaluation and Finalization:</u></b></p> <p>a) First of all, only <b>Techno-commercial bids</b> will be opened and evaluated for finding technical suitability of offers. Price bids will not be opened at this stage.</p> <p>b) After completion of technical evaluation, Price bids will be opened only for <b>TECHNICALLY QUALIFIED</b> offers.</p> <p>c) In price bid, <b>Fixed/Firm rate per MT</b> inclusive of all charges like inspection, UT charges etc. are to be quoted.</p> <p>d) The commercial offer will be evaluated on <b>TOTAL LANDED COST to BHEL-Trichy</b> on <b>ITEM</b> basis.</p> <p><b>I. For Indigenous Suppliers:</b>  Submit your competitive offer rate per MT with best possible delivery on <b>FOR-BHEL Trichy Stores</b> basis only. <b>Freight rate Excluding Service Tax</b> should be indicated separately.</p> <ul style="list-style-type: none"> <li>Total landed cost = Basic rate + Freight (For supplies within Tamil Nadu)</li> <li>Total landed cost = Basic rate + Freight + CST (For Supplies from states other than Tamil Nadu)</li> </ul> <p>In price bid, <b>Fixed/Firm rate in Indian Rupees per MT</b> inclusive of all charges like inspection, UT charges etc. are to be quoted. Any other extra charges like ED, CST/VAT and Service Taxes etc. are also to be indicated clearly.</p> <p><b>II. For Import/Foreign Suppliers:</b>  Submit your competitive offer rate per MT with best possible delivery on <b>CFR-Chennai</b> basis only. In case the offer is NOT submitted on <b>CFR basis</b>, offer is liable for rejection. The offer will be evaluated on Total landed cost to BHEL-Trichy taking into account CFR Chennai cost, Custom Duty and Import Incidentals. In case of CFR term, freight charges are to be on <b>LILO</b> (Liner In Liner Out) basis. No other extra charges like container imbalance charges, trade imbalance charges or any other charges other than quoted freight rate on LILO basis will be paid by BHEL.</p> <ul style="list-style-type: none"> <li>Total landed cost = CFR-Chennai rate + Customs duty as applicable + Import Incidentals.</li> </ul> <p>In price bid, <b>Fixed/Firm rate in Indian Rupees or USD or EURO per MT</b> inclusive of all charges like inspection, TPI, UT charges etc. are to be quoted. Any other extra charges are to be indicated clearly.</p> <p><b>For conversion of USD and EURO into Indian Rupees, Exchange rate prevailing on the date of Technical bid opening will be considered.</b></p> <p><b>Purchase order on item basis will be placed on techno-commercially qualified supplier whose offer comes out to be the LOWEST one based on TOTAL LANDED COST to BHEL-Trichy.</b></p>	
	<p><b><u>Conventional Price Bid opening (or) Reverse Auction(RA):</u></b>  Technically &amp; commercially acceptable vendors will be considered for conventional price bid opening. However BHEL reserves the right to adopt Reverse auction route instead of conventional price bid opening for this enquiry at its discretion after finalizing the techno-commercial bids. In case RA is adopted :</p> <p>a. Only after technical evaluation and if found suitable, reverse auction will be conducted for further process.</p> <p>b. Reverse auction will be conducted through internet/email.</p> <p>Vendors will be suitably informed about the working procedures of reverse auction and BHEL will provide all the relevant details through our service provider to enable the vendor to participate. Both Indigenous and Import vendors to participate in the reverse <b>auction at the same time</b> and no special arrangements/exception will be made for Import/Foreign sources.</p>	

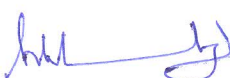
**Note: This Annexure-A has to be mandatorily filled & signed by original manufacturer / mill and submitted along with Technical bid. In case of non-submission of duly filled Annexure-A, vague answers or incomplete details, offer will be summarily rejected.**



4.	<b>Price Variation Clause (PVC)</b> is <b>NOT</b> acceptable and in case of invoking PVC, offer will be summarily rejected. Firm price are to be quoted.	
5.	<b>Inspections &amp; Testing:</b> a) Pre-despatch inspection at original manufacturer's works may be done by BHEL/BHEL authorized inspection agency based on BHEL discretion. b) Mill test Certificates (MTC) in <b>English language</b> to be issued for the supply. Test certificates must incorporate details regarding material specification, Melt no, Manufacturing process and Heat treatment done on material, BHEL purchase order no, supplier name & logo, MTC no, size (diameter in mm) and results obtained in chemical and mechanical testing. The test certificates must bear signature of competent personnel of suppliers and counter-signed by TPI (required only for mills outside India). Test certificates are to be sent along with materials.	
6.	<b>Payment terms:</b> a) <b>For Indigenous Suppliers:</b> Our payment term is "100% direct payment through EFT/RTGS" or "100% payment through Bank" only after receipt and acceptance of material at our stores. LC payment or any other payment mode like advance, Payment through cheque etc is NOT Acceptable and offer shall be rejected. b) <b>For Import/Foreign Suppliers:</b> Our payment term is through CAD after receipt and acceptance of material at BHEL Stores. In case of deviation, offer will be rejected. c) Confirm acceptance for Liquidated Damages (LD) clause: In case of delayed delivery, LD clause will be operated as per the existing procedure (0.5% per week of delay of value of undelivered goods up to a maximum of 10%). d) Confirm acceptance for Performance Bank Guarantee and Risk Purchase clauses.	
7.	<b>Delivery:</b> a) Our delivery requirement is 31 August 2013 & 31 October 2013. Delivery period on <b>FOR BHEL Trichy Stores basis / CFR-Chennai basis (as applicable)</b> for the above items from the date of Purchase order to be indicated.	
8.	<b>For New Supplier (Not registered with BHEL-Trichy) :</b> a) Suppliers who are not already registered with BHEL-Trichy <b>MUST</b> submit the <b>Supplier Registration Form</b> duly filled along with the Techno-commercial Bid. Following details/documents are also to be ensured. b) Details such as mill capacity and capability, credentials. c) Previous purchase orders executed for blue chip companies in abroad and India. d) ISO certification. e) Details of Manufacturing, Heat Treatment and Testing facilities installed in-house. f) <b>Detailed Quality Assurance Plan</b> for manufacturing of tender items. g) Quality manual. h) Spot evaluation at supplier's works may be done at BHEL discretion. i) Following <b>additional details/documents</b> are to be submitted by <b>Import/Foreign suppliers</b> along with above-mentioned documents (sl no a to i): j) D&B report or Creditreform report on Mill/Manufacture. k) Agency agreement as per attached format. l) Port of loading, country of origin in case of foreign sources. m) Collaboration if any with suitable supporting documents. n) Details of Indian Office / Liaison office / Liaison Agent o) Acceptance to INCO-Terms 2010. ➤ <b>In case of non-submission of above mentioned documents, offer is liable for rejection.</b>	

Note: This Annexure-A has to be mandatorily filled & signed by original manufacturer / mill and submitted along with Technical bid. In case of non-submission of duly filled Annexure-A, vague answers or incomplete details, offer will be summarily rejected.



9.	<p>Offer on <b>ITEM basis</b> is to be submitted in <b>TWO-PART</b> bids system, 1.Techno-commercial bid (PART-1) mentioning all technical and commercial terms &amp; conditions EXCEPT price and 2.Price bid (PART-2) mentioning price per MT of each item in separate sealed covers. Both the covers to be placed in a third cover and sealed.</p> <p>➤ <b>Type of bid [Techno-commercial (PART-1) &amp; Price bid (PART -2)] has to be clearly indicated on respective cover.</b></p> <p>➤ <b>Enquiry reference and due date to be indicated on the each cover for both Techno-commercial &amp; Price bid.</b></p>	
10.	<p>Offer validity of 60 days is required after price bid opening/completion of reverse auction (as applicable) in case you are technically qualified.</p>	
11.	<p>Supplier not registered with BHEL-Trichy (in case of becoming L1 bidder in tender) has to necessarily execute Trial order for not more than 50 MTs before supply of total quantity. In case of non-acceptance of this clause, offer is liable for rejection.</p>	
12.	<p><b><u>Address to send Offer:</u></b> Competitive offer (Technical &amp; Priced bid) to the following address is to be submitted within due date of this tender.</p> <p><b>To:</b> Sr MANAGER / PURCHASE / MM / OUTSOURCING FIRST FLOOR, BUILDING -79, BHEL- TRICHY, INDIA PIN: 620014 Tel: 0431 257 4205 / 4247 E-mail: saruna@bheltry.co.in / kjoe@bheltry.co.in</p> <p><b><u>LATE OFFERS RECEIVED AFTER DUE DATE WILL NOT BE ACCEPTED.</u></b> <b><u>BHEL would not be responsible for postal delay.</u></b></p>	
13.	<p><b><u>Enclosures:</u></b></p> <ul style="list-style-type: none"> <li>I. Supplier Registration Form – Indigenous</li> <li>II. Supplier Registration Form – Import</li> <li>III. Agency Agreement format – Import</li> <li>IV. Terms and conditions – (Indigenous / Import)</li> </ul>	
<div style="text-align: center;">    <b>S. ARUNACHALAM</b>          SR. MANAGER          OUTSOURCING          BHEL TRICHY - 620 014          (On behalf of BHEL)       </div>		<p><b><u>To be filled &amp; signed by Original manufacturer / Mill</u></b></p> <p>Name of Mill:</p> <p>Name of authorized official of Mill:</p> <p>Designation / Department:</p> <p>Signature:</p> <p>Seal:</p>

Note: This Annexure-A has to be mandatorily filled & signed by original manufacturer / mill and submitted along with Technical bid. In case of non-submission of duly filled Annexure-A, vague answers or incomplete details, offer will be summarily rejected.

## **TERMS AND CONDITIONS (IMPORT SUPPLIERS)**

### **1. OFFER:**

Offer in ENGLISH LANGUAGE AND IN TRIPLICATE in a SEALED COVER SUPERSCRIBING the enquiry number and the due date shall be submitted addressed to:

**THE MANAGER / PURCHASE / FB  
BHARAT HEAVY ELECTRICALS LIMITED  
HIGH PRESSURE BOILER PLANT  
THIRUCHIRAPPALLI – 620 014  
TAMIL NADU  
INDIA**

offers should be firm for net FOB Nearest Sea Port price and C&F Chennai port, indicating the shipping specifications and the earliest delivery in respect of offers from overseas suppliers. Offers from indigenous sources shall be firm for FOR TIRUCHIRAPPALLI

### **2. DOCUMENTS:**

(1) offers should be accompanied by detailed technical literature, catalogue and detailed dimensional drawings in ENGLISH and in TRIPLICATE, or otherwise, the offers will not be considered.

(2) in case overseas suppliers route their offer through their accredited selling agents, a letter of authority should be furnished mentioning the name and address of their selling agents, who are authorized to bid, negotiate and conclude a contract on their behalf.

### **3. AGENCY COMMISSION:**

(1) in respect of offers from overseas suppliers, agency commission, if any, payable to their agents in India, shall invariably be shown separately in the Performa invoice and this will be paid by us in India, in Indian rupees, on satisfactory completion of the contract.

(2) if overseas principal has any tie-up with any third party in respect of agency commission it should be declared while submitting offers.

(3) copies of current agency agreement / authorization letter in respect of agency commission shall be furnished along with offer, if not made available earlier.

(4) for calculation of rupee equivalent of agency commission, exchange rate as prevailing on the date of order will be taken.

### **4. SPARES:**

The tenderer should quote separately for spares that are required for two years trouble free operation. The spares offer should accompany the offer of main equipment, otherwise the quotations will be overlooked.

### **5. VALIDITY:**

The offers for main equipment and spares shall be kept open for acceptance for 120 days (one hundred and twenty days) from the date of opening of the tender.

### **6. TEST CERTIFICATES, OPERATING AND MAINTENANCE MANUALS:**

The tenderer shall clearly mention in their offer, that test certificates and operation and maintenance manuals, etc., as called for in the technical specification, in the required number of copies will be provided at no extra cost. If any amount is payable as extra, the same shall be indicated separately in the offer.

### **7. TERMS OF PAYMENT:**

In the event of and order the purchaser will arrange for an irrevocable letter of credit against presentation of documents. Under no circumstances confirmed and irrevocable letter of credit will be established by the purchaser.

### **8. GENERAL:**

(1) preference will be given to suitable indigenous or ex-stock in ported offers, failing which imported offers from incoming consignment against the indigenous supplies "stock and license" will be accepted, if "stock and sale license" is not available with the indigenous suppliers, the same shall be indicated in their offer.

(2) bank guarantee: the supplier in the event of an order, should furnish a bank guarantee from an approved bank at no extra cost in a Performa which will be supplied to the supplier, along with the order, for an amount equivalent to 10% of the value of the contract. The bank guarantee should remain in full force and effect during the period that would be taken for successful completion of the contract and shall continue to be enforceable till 12 months from the date of receipt of consignment at purchaser's site or 18 months from the date of last shipment at the port of delivery whichever is earlier.

### **9. LD/ PENALTY AND INTEREST ON ADVANCES FOR DELAY IN DELIVERY:**

"if the supplier fails to deliver the raw materials / equipment / components within the period specified in the contract the purchaser shall deduct liquidated damages a sum equivalent to 0.5% of the price for each week of delay upto a maximum of 15% of the price of the delayed / undelivered goods, in addition to the recovery of interest at normal cash credit rate plus 2% for the unadjusted portion of the advances. If the delay in delivery of a part contributes to delay in execution of total system, LD and interest on advances will be recovered on the total contract price / total advance paid"

## **TERMS AND CONDITIONS (Indigenous )**

**1.A) QUOTATIONS:** Each tender should be sent in double cover, inner cover should be sealed with tenderer's distinctive seal and super scribed with correct tender no. Item of supply and due date of opening the outer cover should only bear the address of this office and should not have any indication that a tender is within. Two or more quotations should not be sent in one cover but the quotation against each tender should be sent separately to avoid confusion. Tender should not be addressed to any individual's name but only by designation.

b) Tenders should be free from CORRECTION AND ERASURES. Corrections if any must be attested; all amounts shall be indicated both in words as well as in figures. Where there is difference between amount quoted in words and figures, amount quoted in words shall prevail.

c) Price should be nett F.O.R. dispatching station inclusive of risk in transit and remain valid for 60 days from the due date.

d) If any sales tax is payable as extra to the quoted price it should be specifically stated in quotations along with CST & TNGST no falling which the purchaser will not be liable for payment of sales tax. Our T.N.G.S.T no 3560005 dt. 01.04.1995 CST no 239383 dt, 11.06.1991

e) No revision of prices will be entertained after tenders are opened.

f) Manufacturer's name trademark or patent no if any should be specified. Illustrative leaflets giving technical particulars are required along with quotation wherever necessary.

g) Products with I.S.I certification marks will be preferred.

h) The purchaser shall be under no obligation to accept the lowest or any other tender and shall be entitled to accept or full without assigning any reason whatsoever.

**2. SAMPLES:** Wherever possible sample should be submitted separately whether specifically requested or not so as to reach the purchaser on or before the due date of the enquiry. They should be clearly marked with the enquiry no and the date on the outside cover to facilitate identification.

**3. PACKING AND MARKING:** The supplier shall arrange for securely protecting and packing the stores to avoid loss or damages during transit.

**4. TERMS OF PAYMENT:** Payment will be made after 45 days on acceptance of materials. Wherever required by the purchaser, the successful tenderer must send the Operation and Maintenance manuals, Test Certificates, drawings, etc., for the materials ordered. These should be sent immediately after dispatch of the materials and a statement to that effect should be made in the invoice. Failure to comply with this provision will result in delay in payment of the bills. Goods dispatched either by V.P.P or by the document presented through bank will not be accepted unless agreed to by the purchaser.

The duplicate copy of the invoice meant for the transporters should accompany the material as stipulated under C.E. rules 52a and 173 c (or) 57gg. A Photostat copy of the above invoice for each Delivery Chelan should be submitted along with the original bills routed through bank or submitted directly to BHEL finance department.

**5. SECURITY DEPOSIT:** For purchases over Rs. 5000/- the successful tenderers may be requested to furnish a Bank Guarantee, Security deposit for an appropriate value as may be determined by BHEL

### **6. LIQUIDATED DAMAGES PENALTY AND INTEREST ON ADVANCES FOR DELAY IN DELIVERY:**

If the supplier fails to deliver the raw material equipment components within the period specified in the contract the purchaser shall deduct liquidated damages a sum equivalent to 0.5% of the price for each week of delay up to maximum of 15% of the price of the delayed undelivered goods. In addition to the recovery of interest at normal cash credit rate plus 2% for the unadjusted portion of the advances. If the delay in delivery of a part contributes to delay in execution of total system, LD and interest on advances will be recovered on the total contract price total advance paid.

**7. RISK PURCHASE:** Alternatively the purchaser at his option will be entitled to terminate the contract and to purchase elsewhere at the risk and cost of the seller either the whole of the goods or any part which the supplier has failed to deliver or dispatch within the time stipulated as aforesaid or if the same were not available, the best and the nearest available substitutes therefore. The supplier shall be liable for any loss, which the purchaser may sustain by reason of such risk purchases in addition to penalty at the rate mentioned in clause 6 above.

**8. PREFERENTIAL DELIVERY:** It should be noted if a contract is placed on a higher tenderer as a result of this invitation to tender in preference to the lowest acceptable offer in consideration of the earlier delivery, the seller will be liable to pay to the purchaser the difference between the contract rate and that of the lowest acceptable tender on the basis of final price F.O.R destination, including all eliminates of freights. Sales tax, duties and other incidents, incidental in case of failure to complete suppliers in terms of such contract within the date of delivery specified in the tender and incorporated in the contract.

**9. MODVAT CREDIT:** If any Excise Duty is payable, the chapter head / Sub –head reference and the rate of the duty should be quoted. If the tender is availing MODVAT credit for this input material, the effect of Proforma credit should be passed on to the purchaser. Tenderer under "MODVAT" shall be preferred.

**10. PURCHASE:** Preference will be given to CPSUS as per. Government guidelines.

**11. GENERAL:** The purchaser reserves the right to split up the tender and place order for individual terms with different tenderers and also increase or decrease the quantity.

Any other conditions which might have been quoted by the seller and are in contravention to the terms prescribed in the order and which have not been specifically accepted in by purchaser will not be applicable to the contract.

BHEL recently received guidelines from Govt. Of India and Central Vigilance Commission and we have been asked to comply with the guidelines with regard to dealings with Indian Agent/Foreign Agent of Foreign Suppliers.

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## **1. Mandatory submission of an Agency Agreement**

- 1.1 It shall be incumbent on the Indian agent and the foreign principal to adhere to the relevant guidelines of Government of India, issued from time to time.
- 1.2 The Agency Agreement should specify the precise relationship between the foreign OEM/foreign principal and their Indian agent and their mutual interest in the business. All services to be rendered by agent/associate, whether of general nature or in relation to the particular contract, must be clearly stated by the foreign supplier/Indian agent. Any payment, which the agent or associate receives in India or abroad from the OEM, whether as commission or as a general retainer fee should be brought on record in the Agreement and be made explicit in order to ensure compliance to laws of the country.
- 1.3 In the absence of any agency agreement, BHEL shall not deal with any Indian agent (authorized representatives / associate / consultant, or by whatever name called) and shall deal directly with the foreign principal only for all correspondence and business purposes.
- 1.4 Agents will file an authenticated Photostat copy duly attested by a Notary Public / Original certificate of the Principal confirming the agency agreement and giving the status being enjoyed by the agent and the commission / remuneration / salary / retainer ship being paid by the principal to the agent.
- 1.5 Wherever the Indian representatives have communicated on behalf of their principals and the foreign parties have stated that they are not paying any commission to the Indian agents, and the Indian representative is working on the basis of salary or as retainer, a written declaration to this effect should be submitted by the Foreign Principal.

## **2. Disclosure of particulars of agents / representatives in India**

### ***2.1 Tenderers of Foreign nationality shall furnish the following details:***

- 2.1.1 The Bidder(s) / Contractor(s) of foreign origin shall disclose the name and address of the agents / representatives in India if any and the extent of authorization and authority given to commit the Principals. In case the agent / representative be a foreign Company, it shall be confirmed whether it is existing Company and details of the same shall be furnished.
- 2.1.2 The amount of commission / remuneration included in the quoted price(s) for such agents / representatives in India.
- 2.1.3 Confirmation of the Tenderer that the commission / remuneration, if any, payable to his agents / representatives in India, paid in Indian Rupees only.



***2.2 Tenderers of Indian Nationality shall furnish the following details:***

2.2.1 The Bidder(s) / Contractor(s) of Indian Nationality shall furnish the name and address of the foreign principals, if any, indicating their nationality as well as their status, i.e. whether manufacturer or agents of manufacturer holding the Letter of Authority of the Principal specifically authorizing the agent to make an offer in India in response to tender either directly or through the agents / representatives.

2.2.2 The amount of commission / remuneration included in the price(s) quoted by the Tenderer for himself.

2.2.3 Confirmation of the foreign principals of the Tenderer that the commission / remuneration, if any, reserved for the Tenderer in the quoted price(s), paid in India in equivalent Indian Rupees on satisfactory completion of the Project or supplies of Stores and Spares in case of operation items.

2.3 Failure to furnish correct and detailed information as called for in paragraph 2.1 & 2.2 above will render the concerned tender liable to rejection or in the event of a contract materializing, the same liable to termination by BHEL Besides this there would be a penalty of banning business dealings with BHEL or damage or payment of a named sum.

Please furnish the above information immediately